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SUBCOMMITTEE ON TRANSPORTATION

of the

ECONOMIC INTELLIGENCE COMMITTEE

Review of Activities and Accomplishments During Fiscal Year 1958

A. Activities of the Subcommittee During Fiscal Year

1. Review of the Intelligence Product

The Subcommittee on Transportation (TSC) maintains no formal program for reviewing the adequacy of the transportation intelligence product. Some activities of the TSC, however, do represent measures for assuring adequate production efforts on such subjects as agreed basic transportation statistics, and the development of agreed uniform methodologies for determining rail, highway, port and inland water capabilities. These activities are carried out in some measure by joint research activities under the Transportation Capabilities Estimating Group. Further progress in the review of the intelligence product is represented by the growing practice of informal review and consideration by the TSC of research projects prepared by member agencies. The TSC also discussed at several meetings the present status and scheduling of those NIS chapters and sections prepared by TSC member agencies.

2. Research and Collection Deficiencies

a. Research Deficiencies

Details on completed and projected work in the elimination of identified priority research deficiencies are presented in Annex A to this report.

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Little progress was made during Fiscal Year 1958 on the further identification of priority research deficiencies. Members of the Subcommittee did, however, present and discuss their proposed Fiscal Year 1959 research programs to determine the extent to which they were responsive to existing research deficiencies. The membership also undertook preliminary discussions for the revivication of this program in order to effect the revision and establishment of a complete inventory of priority research deficiencies during Fiscal Year 1959. It is expected that this program will be a major undertaking of the TSC during Fiscal Year 1959.

The TSC membership has received regularly from the EIC Secretariat NIE Post Mortems and Validity Studies. These studies have been very useful to the member agencies in highlighting the major trends their research activities should cover. Upon receipt of the Post Mortem on NIE 13-57, the TSC convened a meeting of working analysts who reviewed the status of basic materials and exchanged information and ideas in regard to filling the gaps and deficiencies pointed out in the Post Mortem. It is believed that this is an exemplary procedure for responding to NIE Post Mortems and Validity Studies, and it will be followed as similar studies are received.

b. Collection Deficiencies

Work in the elimination of priority collection deficiencies has been continued. The TSC has retained its active role in the preparation of staff studies on the proposed exchanges of US-USSR transportation specialists. Specific studies prepared by members of the TSC, concerned proposed exchanges in the fields of railroad transportation, highway transportation, and civil aviation. The TSC Chairman and Secretary have

been serving as consultants to the Department of State East-West Contacts Staff on the proposed exchanges in railroad and highway transportation.

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The TSC Secretary also prepared a staff paper briefing [redacted] on TSC collection requirements and interests [redacted]

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3. Review of Substantive Papers

During Fiscal Year 1958 the TSC reviewed the Transportation Capabilities Estimating Group's (TCEG) final draft of EIC-R9-S1, "Capability of the Trans-Siberian Railroad and Connecting Lines in Manchuria and North Korea." Because this paper did not represent an agreed estimate, the TSC did not recommend its publication as a TSC or EIC report. The TSC did agree, however, to publication of the report by the Department of the Army as a product of the TCEG. The TSC in the interim is keeping this report within its cognizance in the hope of reaching an agreed estimate for publication in Fiscal Year 1959.

The TSC also undertook this year an informal program for the consideration and discussion of significant transportation intelligence reports prepared by member agencies. Under this informal program the following research projects were given oral presentation to the TSC:

<u>Subject</u>	<u>Originating Agency</u>
Suez Canal Traffic and Operations Under Egyptian Administration	Department of State
Specification and Capabilities of the USSR Merchant Fleet	ONI
USSR Civil Aviation Policies and Capabilities	CIA

The TSC has also agreed to undertake formal review of any future reports prepared by the Transport Capabilities Estimating Group, when these reports are pertinent to the mission of the Economic Intelligence Committee and the TSC, and are to be published as EIC or TSC reports.

4. Review of External Research Projects

No member agency submitted external research proposals for review by the TSC.

5. Maintenance of Agreed Basic Statistics

No progress has been made in this responsibility since the last annual report.

6. Projects Undertaken at the Request of the EIC

The following projects were undertaken at the request of the EIC:

a. EIC-P-8 (WSEG) -- Although the original request has been satisfied by the first drafts of this report, the Army member, with the cooperation of other members, undertook to update a revised draft of the railroad section of this paper. This revision will be published by the Department of the Army as a product of the Transportation Capabilities Estimating Group with a statement of concurrence or dissent of each member.

b. Revision of EIC-R9-S1 -- See discussion of this project under section 3 of this annual report.

c. EIC-R1-S6

Member agencies of the TSC completed coordination of the transport sections of this annual project, "Communist China's 1956 Trade

and the Transport Involved." This project was published by the EIC.

d. Exchange Papers

The TSC members prepared three papers prepared by working groups on proposed US-USSR exchanges in the fields of rail, highway and civil air transportation.

7. Intelligence Research Techniques

The TSC membership engaged in frequent discussion of the projects listed in section 6, above.

The Working Group on "Methodology for Computing Port Capacity" completed its draft paper, based on the factor method, which was reviewed and approved by the TSC for testing purposes.

The Highway Working Group completed a preliminary draft of a paper on "Methodology for Computing Highway Capacity" which is being reviewed by the TSC.

8. Coordinating Functions of the TSC

These functions are typified by the activities discussed in sections 2, 6, and 7 of this study.

9. Evaluation of the Role of the Subcommittee

a. Realization of the Subcommittee's Potential

During Fiscal Year 1958 the TSC attempted to achieve further progress in fulfilling its responsibility for the coordination of transportation intelligence produced by the US intelligence community.

The entire program for the establishment of uniform methodologies for determining inland waterway, highway, port and rail capacity should be completed in Fiscal Year 1959. This should contribute materially

to a fuller realization of the Subcommittee's potential by helping to eliminate differences in estimating procedures used by the TSC membership.

The meetings of groups of working analysts in response to NIE Post Mortems and Validity Studies should also have a salutary effect upon the estimates produced in the transportation intelligence community.

In Fiscal Year 1958 the TSC again provided considerable support for a uniform approach to proposed US-USSR exchanges in the field of transportation. If the exchange program is implemented, the agreed findings of the TSC membership could result in significant improvements in respect to the elimination of existing priority research and collection deficiencies.

The review, at a TSC meeting, of the research programs of the member agencies could be beneficial in avoiding duplication of effort and obtaining a more coordinated utilization of member agency resources. This device, together with informal presentation of draft intelligence reports to the TSC membership, should help to improve the quality of economic intelligence research in transportation.

b. Problems in Effective Functioning of the Subcommittee

The major problem impeding the more effective functioning of the Subcommittee is the limited resources which member agencies are able to allocate to TSC activities. The priority of member agency internal programs and the diversity of their responsibilities usually results in the slighting of TSC activities. This happens primarily because of the large expenditures of time and personnel required to coordinate agreed TSC estimates.

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The apparent solution is for member agencies to allow more time and/or personnel for TSC activities when planning their internal programs. This measure would facilitate progress in intelligence coordination and expedite the identification of, and action to eliminate, priority research deficiencies. A situation directly related to this problem is the frequent practice within TSC working groups of the committee approach in preparing capacity methodology papers and other studies. This approach consumes inordinate amounts of time and if other approaches to common problems were used, member agencies would probably be less reluctant to commit their time and personnel resources to TSC activities.

Another problem is the limited areas in which coordinated intelligence is undertaken. This is usually confined to those areas in which assignments are laid down by the EIC or other higher authority. The TSC has no well-defined program for assuring coordination of the independent research programs of its member agencies. The establishment of such a program could result in significant advances in the realization of the Subcommittee's functions.

B. Future Program of the Subcommittee

1. Considerable thought was given in Fiscal Year 1958 to the status of TSC work in the identification of priority research and collection deficiencies. It is hoped that in Fiscal Year 1959 identification of the following research and collection deficiencies can be completed:

USSR Collection

1. Merchant Shipping

USSR Research

1. Merchant Shipping

COMMUNIST CHINA Collection

1. Merchant Shipping
2. Highways
3. Inland Waterways

COMMUNIST CHINA Research

1. Merchant Shipping

EUROPEAN SATELLITES Research and Collection

1. Railroads
2. Highways
3. Inland Waterways
4. Merchant Shipping

2. The Subcommittee will complete its production of agreed methodologies for determining capacity of each major mode of transport.

3. The Subcommittee will continue its work to improve procedures for the coordination of the independent research programs of each member agency, in order to minimize duplication and to effect a more economic utilization of community resources.

4. The Subcommittee will review proposals for external research under the terms of DCID 15/1.

5. The Subcommittee will continue its program for the completion of agreed statistics in accordance with EIC-D-77.

6. The Subcommittee will continue its program of informal consideration of research projects and programs in order to improve our understanding of developments in foreign economic intelligence and the quality of our estimates of the impact and significance of these developments.

PROGRESS REPORT ON PRIORITY DEFICIENCIES OF RESEARCH
By EIC Subcommittee on Transportation

I. RAILROAD TRANSPORTATION

Gaps in Intelligence

Progress in Fiscal Year 1958 and Plans

I. a. Quantitative estimates of total traffic flows on strategic and economically important railroad lines.

1. USSR
2. China

I. a. 1. CIA Project 43-1957, "Development of Transportation in USSR Central Asia", will provide data on this deficiency.

CIA Project Proposal 43-2307, "Pattern of Petroleum Traffic in the USSR" will provide data on this deficiency.

CIA Project Proposal 43-2305, "Transportation Growth and Trends in the USSR", may provide data toward eliminating this deficiency.

I. a. 2. EIC-RI-S6, "Communist China's Trade and Transport Involved", provided some data toward eliminating this deficiency.

CIA/ER-117, "Role of Transport in the Economy of Communist China" contributed data toward eliminating this deficiency.

CIA Project Proposal 43-2302, "Railroad Transportation in Communist China", will contribute toward elimination of this deficiency.

I. RAILROAD TRANSPORTATION

Gaps in Intelligence	Progress in Fiscal Year 1958 and Plans
I. b. Capacity of USSR railroad lines and transloading facilities to border areas.	I. b. Army Project Number A-1051, "Capability of the Trans-Siberian Railroad" prepared by the Transport Capabilities Estimating Group, was concerned with this deficiency. The <u>Transportation Capabilities Estimating Group</u> is currently revising the rail section of a study on "Soviet Bloc Military Transportation Capabilities" which will provide data for this deficiency.
I. c. Line capacities (including the physical details of the lines, facilities and structures connected therewith) of the most strategically and economically important lines in Communist China.	I. c. CIA/RR-117, "Role of Transportation in the Economy of Communist China", will contribute toward eliminating this deficiency. CIA Project Proposal 43.2302, "Railroad Transportation in Communist China", will contribute toward eliminating this deficiency.
I. d. Number, type, and capability of the motive power and rolling stock, including the inventory and utilization, serviceability, age, and retirement. 1. USSR 2. China	I. d. 1. CIA/RR-137, "The Impact of Long-Range Plan for Electrification and Dieselization of Railroads in the USSR", provided data on this deficiency. CIA Project 43.1957, "Development of Transportation in USSR Central Asia", will provide some regional data on this deficiency.

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I. RAILROAD TRANSPORTATION

Gaps in Intelligence

Progress in Fiscal Year 1958 and Plans

I. d. 1. CIA Project Proposal 43.2305, "Transportation Growth and Trends in the USSR", will also provide data on this deficiency.

Army Project Number A-1881, "Soviet Diesel and Electric Locomotive Program" scheduled for November 1958 will provide some data on this deficiency.

Army Project Number A-625, "Performance Characteristics of Soviet Steam Freight Locomotives", published in December 1957 provides data on this deficiency.

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██████████ is helping provide firmer car and locomotive inventory data.

I. d. 2. CIA/RR-117, "The Role of Transportation in the Economy of Communist China," provided some data on this deficiency.

CIA/RA-34, "Development in Railroad Transportation in Communist China, 1956-1957," also provided data on this deficiency.

CIA Project Proposal 43.2302, "Railroad Transportation in Communist China" will provide more detailed data toward elimination of this deficiency.

I. RAILROAD TRANSPORTATION

Gaps in Intelligence	Progress in Fiscal Year 1958 and Plans
I. e. Precise location and capabilities of USSR railroad yards, servicing and repair facilities, and storage depots	I. e. The TSC Working Group paper on "Methodology for computing Railroad Capacity" will serve as a research aid in eliminating this deficiency. Air Force maintains a running file of such items, publishable upon request, and is also working on target information sheets which will remove some of these deficiencies. Army Project A-1311, "Characteristics of Selected Soviet Railroad Yards and Shops," scheduled for July 1958 will serve to eliminate portions of this requirement.
I. f. Analysis of planned development of Communist Chinese railroads with emphasis on planned rates of growth, measured both in planned traffic increases and in expansion of lines and facilities.	I. f. A combination of CIA reports may be regarded as having eliminated this deficiency: CIA/RR-117, "Role of Transportation in the Economy of Communist China" CIA/RA-34, "Development in Railroad Transportation in Communist China, 1956-1957" CIA/RR-123, "The Construction of New Railroad Lines in Communist China" Army Annual Revision of Section 13, NIS 39A will help eliminate this deficiency. Army article in IR 231, April 1958 -- Chinese Communist Railroad Development Program.

II. INLAND WATERWAYS TRANSPORTATION

Gaps in Intelligence	Progress in Fiscal Year 1958 and Plans
II. a. Quantitative estimates of total traffic flow on individual strategically and economically important waterways.	II. a. 1. CIA Project 43.1957, "Development of Transportation in USSR Central Asia", will provide some regional data on this deficiency.
1. USSR	CIA Project Proposal 43.2307, "Pattern of Petroleum Traffic in the USSR", will deal partly with this deficiency.
2. China	CIA Project Proposal 43.2305, "Transportation Growth and Trends in the USSR" will provide some data on this deficiency.
	CIA Project Proposal 43.2311, "The Soviet Inland Waterway Cargo Fleet", should eliminate this deficiency.
II. a. 2. CIA/RR-117, "Role of Transport in the Economy of Communist China" contributed toward eliminating this deficiency.	CIA Project Proposal 43.2304, "Inland Waterway Transportation in Communist China" should provide much data for eliminating this deficiency.
II. b. More precise estimates of the inventory, type and capabilities of the inland waterway fleet.	II. b. 1. CIA Project Proposal 43.2311, "The Soviet Inland Waterway Cargo Fleet", should eliminate this deficiency.
1. USSR	CIA Project Proposal 43.2304, "Inland Waterway Transportation in Communist China", will provide data for eliminating this deficiency.
2. China	

II. INLAND WATERWAYS TRANSPORTATION

Gaps in Intelligence	Progress in Fiscal Year 1958 and Plans
II. c. More precise estimates of the facilities and capacities of the USSR inland waterway fleet.	II. c. CIA Project Proposal 43.2311, "The Soviet Inland Water Cargo Fleet", will provide data on this deficiency.
II. d. More precise estimates on hydrography, facilities and capacities of the inland waterway routes in Communist China.	II. d. CIA/RR-117, "Role of Transportation in the Economy of Communist China", provided some data on this deficiency. CIA Project Proposal 43.2304, "Inland Waterway Transportation in Communist China", will provide data on this deficiency.

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ANNEX A

III. HIGHWAY TRANSPORTATION

Gaps in Intelligence	Progress in Fiscal Year 1958 and Plans
III. a. Better estimates of the number and capability of the motor truck inventory.	III. a. 1. CIA Project Proposal 43.2305, "Transportation Growth and Trends in the USSR", will provide some data on this deficiency.
1. USSR	The TSC Working Group Paper on "Methodology for Computing Highway Capacity", will be of value in future work on this deficiency.
2. China	Army - NIS Section 32, Highways of USSR, scheduled for August 1959 will provide some data on this deficiency.
	III. a. 2. CIA Project Proposal 43.2309, "Highway Transportation in Communist China, 1950-1958", will provide considerable data on this deficiency.
III. b. More precise estimates of the capacity of USSR highways leading to border areas or connecting with important railroad or inland waterways trans-shipping points.	III. b. CIA Project 43.1957, "Development of Transportation in Central Asia", may contain data on this deficiency.
	Army work for the NIS program contributes to the elimination of these deficiencies.
III. c. Estimates of the capacity of selected highway routes in Communist China.	III. c. CIA Project Proposal 43.2309, "Highway Transportation in Communist China, 1950-1958", will provide data on this deficiency.
	Army NIS work plus several maps prepared by Army giving capacity estimates of selected highways, help to eliminate this deficiency.

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